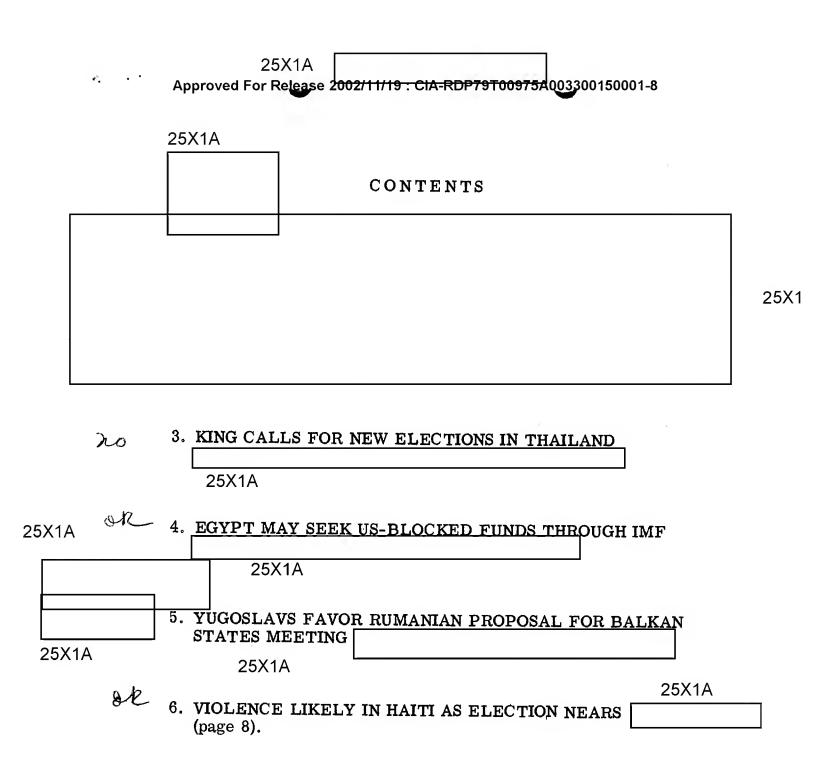
25X1 19 September 1957 Copy No. 136 **CURRENT** NO CHANGE IN CLASS. INTELLIGENCE I I DECLASSIFIED CLAUS, CHANGED TO: TS 2815 **BULLETIN** AUTH: HR 70-2 DATE 750 REVIEWER: OFFICE OF CURRENT INTELLIGENCE CENTRAL INTELLIGENCE AGENCY **DIA and DOS** review(s) completed. TOP SECRET



19 Sept 57

Current Intelligence Bulletin

Page 2

Next 1 Page(s) In Document Exempt

3. KING CALLS FOR NEW ELECTIONS IN THAILAND

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Thailand's King Phumiphon has issued a royal decree dissolving the National Assembly and calling for new elections within 90 days. He has asked the army

junta led by Marshal Sarit which overthrew the Phibun regime on 16 September to form a provisional government for the interim period.

Elections presumably will be held to replace only the 160 elected members of the outgoing assembly. The remaining 123 appointed members will probably be reshuffled to assure the Sarit army group effective control of the government. Elections for the entire membership of the assembly would very likely lead to a victory by Khuang Aphaiwong's Democratic party.

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Page 5

25X1A

4. EGYPT MAY SEEK US-BLOCKED FUNDS THROUGH IMF

Γ	25X1A	
25X1A	Egypt may soon attempt to release its	
	funds blocked by the United States during the Suez crisis,	25X1
-		
		25X1

Egyptian Finance Minister Kaysuni will attend the annual meeting of the IMF which will be held in Washington from 22 to 27 September. Kaysuni might use that occasion to resent Nasir's request, although it is unlikely that Egypt could gain any significant support among members of the IMF for such a transaction. Nasir's intent is probably to harass the United States and continue to claim he is a victim of American economic warfare. Nasir has in the past considered the sequestration or nationalization of American business and oil interests in Egypt as an act of retaliation against the United States for blocking Egyptian funds.

19 Sept 57

Current Intelligence Bulletin

Page 6

5. YUGOSLAVS FAVOR RUMANIAN PROPOSAL FOR BALKAN STATES MEETING

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President Tito's prompt and unconditional acceptance of the Rumanian proposal of 10 September that top Balkan leaders meet to discuss economic and cultural cooperation and a nonaggression pact strongly sug-

gests his intention to attend regardless of whether Greece and Turkey participate. Unofficially Athens and Ankara have indicated they will not participate.

Tito declared that "special attention must be paid right now... to eliminate the difficulties which still exist between some Balkan countries." Belgrade's willingness to participate is undoubtedly motivated at least in part by what it sees as an opportunity to implement its long-cherished hopes for leadership in the area.

Moscow has publicly supported the Rumanian initiative for a conference of all six Balkan states, but it is not yet clear whether it favors such a meeting without Greek and Turkish participation. It may support a four-power conference, however, despite the risk of its leading to the spread of Yugoslav influence in the Balkans, in order to obtain closer Yugoslav adherence to the bloc.

The proposed conference may have been discussed during the recent Tito-Khrushchev meeting in Rumania, and final plans were probably coordinated with Tito during the visit of Rumanian politburo member Bodnaras and Foreign Minister Maurer to Belgrade on 29 August.

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19 Sept 57

Current Intelligence Bulletin

Page 7

25X1A

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6. VIOLENCE LIKELY IN HAITI AS ELECTION NEARS

	o. VIOLENCE III		
			25X1A
25X1A		Serious disorders are likely at any moment in Haiti as the opposing political camps rapidly build up their forces for the presidential election of 22 Sep-	
		tember.	25X1
			25X1

The forces of exiled former dictator Magloire, which now are backing Clement Jumelle for the presidency, are making every effort to instigate demonstrations sufficiently violent to prevent the election, since they realize Jumelle could not win.

The third leading presidential aspirant, Louis Dejoie, expects the election to be canceled or rigged in favor of Duvalier. He warned publicly on 17 September that if the Duvalier machine attempts to subvert a free election, "the people will smash it and we shall have a revolution."

Comment

Stability in Haiti, which has had seven governments in the past nine months, would probably be served by Duvalier's victory in a not too obviously rigged election. Duvalier, a moderate, is the only candidate acceptable to the army and his popular support is such that he might win even a free election. A Duvalier victory would probably not, however, be accepted without a violent reaction by Dejoie, who is strong in the south of Haiti and in the capital.

19 Sept 57

Current Intelligence Bulletin

Page 8